

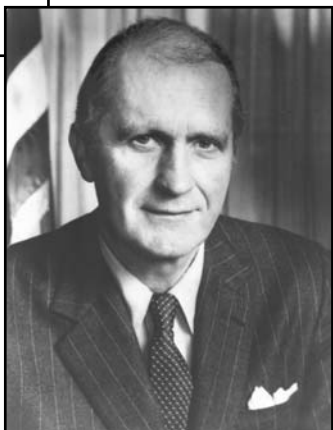
Baldrige National Quality Program

# Why Baldrige?



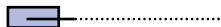
*business · education · health care*

*A Proven Approach to  
Performance Improvement*



## MALCOLM BALDRIGE

The Baldrige National Quality Program (BNQP) is a public-private partnership to improve the performance of U.S. organizations. BNQP manages the Malcolm Baldrige National Quality Award, named for Malcolm Baldrige, the 26th U.S. Secretary of Commerce. While it is most widely known for the Award, BNQP also provides global leadership in promoting performance excellence and in the learning and sharing of successful performance practices, principles, and strategies. BNQP develops and disseminates the Criteria for Performance Excellence, which are the basis for self-assessments, for giving feedback to Award applicants, and for evaluating organizations for the Award. Created by Public Law 100-107, the Program is a unique partnership supported by the Foundation for the Malcolm Baldrige National Quality Award and managed by the National Institute of Standards and Technology, an agency of the U.S. Department of Commerce.



*The Malcolm Baldrige National Quality Award has played a vital role in energizing U.S. companies, helping them gain a competitive edge in the emerging global marketplace. For each of us, the application process uncovered significant opportunities for improving efficiency and customer and employee satisfaction. The recognition of actually receiving the Award reinforced the need to continue improving performance in a marketplace that becomes more competitive every day.*

*The 1988-1997 Award Recipients  
Malcolm Baldrige National Quality Award  
On the 10th Anniversary of the Award*

# Introduction



This booklet is addressed to anyone who wants to improve his or her organization's performance. Read on and you will learn about the Baldrige National Quality Program and why the Baldrige approach has been used for more than 14 years by tens of thousands of organizations to stay abreast of competition and to increase effectiveness. You will learn about the Criteria for

Performance Excellence, the tool used by businesses and education, health care, and government organizations to evaluate and focus their efforts. We'll tell you about the Malcolm Baldrige National Quality Award, an award given by the President of the United States to recognize those organizations that have learned how to achieve high performance. Lastly, you'll learn steps you can take and resources that are available to assist you.

If you are looking for an approach for improving your organization or you would like feedback on your progress, read this booklet. Perhaps your organization will receive the nation's highest award for organizational excellence and the President will recognize you and your colleagues at a ceremony in Washington, DC.

*The Baldrige Award Criteria project an exacting standard and encourage companies to strive for excellence by seeing themselves through the eyes of the customers and the marketplace. This Award is becoming a global standard, and one measure of its importance is the growing number of similar programs throughout the world.*

*George W. Bush  
President of the United States  
2000 Award Ceremony*

# *Why Choose Baldrige?*

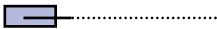


## ***Five Reasons to Choose Baldrige As Your Performance Management Framework***

Organizations looking for an approach to performance management and improvement have many to choose from, and determining which approach meets your organization's needs is not easy. What makes Baldrige different? Here are a few aspects that set Baldrige apart:

- 1. The Criteria for Performance Excellence provide a framework for improvement without being prescriptive.** Organizations are encouraged to develop creative and flexible approaches aligned with organizational needs and to demonstrate cause-effect linkages between these approaches and their results.
- 2. The Criteria are inclusive.** While other approaches focus on a single aspect, such as leadership, strategic planning, or process management, the Criteria describe an integrated management framework that addresses all the factors that define the organization, its operations, and its results.

3. **The Criteria focus on common requirements, rather than procedures, tools, or techniques.** Other improvement efforts (e.g., ISO, Six Sigma, or accreditation) may be integrated into the organization's performance management system and included as part of a response to Criteria requirements.
4. **The Criteria are adaptable.** They can be used by large and small businesses, education and health care organizations, government and nonprofit organizations, and organizations with one site or worldwide locations.
5. **The Criteria are at the leading edge of validated management practices.** They are regularly improved to enhance coverage of strategy-driven performance, address the needs of all stakeholders, and accommodate important organizational needs and practices.



## **IT PAYS OFF: Baldrige Index Consistently Outperforms the S&P 500**

The "Baldrige Index," a hypothetical stock fund made up of U.S. companies that received the Baldrige Award, has historically outperformed the S&P 500 by approximately 4 to 1.

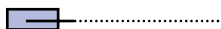
## *What Are the Criteria?*

The Criteria for Performance Excellence are the basis for granting Awards and giving feedback to applicants, and they also are a tool for understanding your organization's strengths and opportunities for improvement. They are a set of expectations or requirements that define the critical factors that drive organizational success.

The Criteria are approximately 100 questions grouped into the Organizational Profile and seven Categories. The Organizational Profile is a snapshot of your organization: the key influences on how you operate and the key challenges you face.

You can select the Criteria that best apply to your organization: Business, Education, or Health Care. The Business Criteria Categories are

1. Leadership
2. Strategic Planning
3. Customer and Market Focus
4. Information and Analysis
5. Human Resource Focus
6. Process Management
7. Business Results



*It amazes me that U.S. businesses spend so much money on 'how to' books and coursework to teach leaders how to build successful organizations. My recommendation: implement the Baldrige-based Criteria into your business. No other single document can help build a long-term successful organization.*

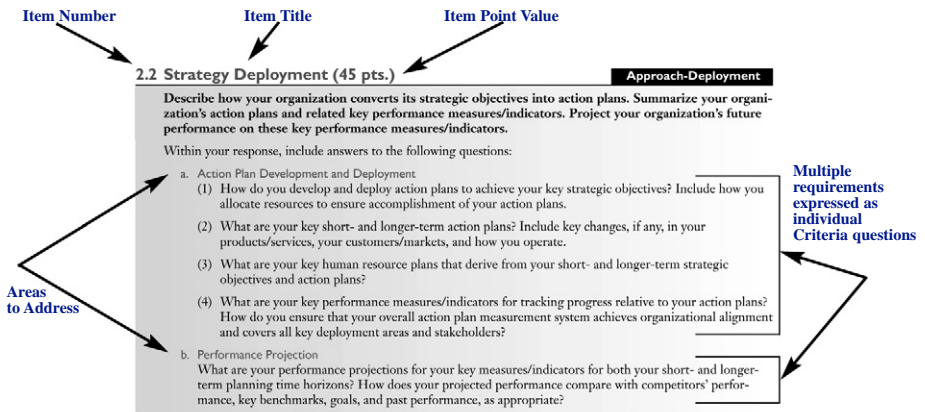
*Jerry R. Rose, Former President  
Sunny Fresh Foods  
1999 Award Recipient*

Criteria for education and health care are similar to those for business but use language more familiar to those sectors.

Categories 1 through 6 ask for information on key processes and how they work, or for your key plans, objectives, goals, measures, and findings.

Category 7 asks for your organization's performance in key areas and for comparisons with competitors.

The seven Categories and the Organizational Profile are divided into Items, and Items are divided into Areas to Address. Each Area to Address contains the questions to which an organization responds. Below is a sample Criteria Item.



# Using the Criteria

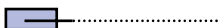


Any organization can use the Baldrige Criteria to assess its performance and improve. Regardless of the size or nature of your organization, the Criteria can help you align resources; improve communication, productivity, and effectiveness; and achieve strategic goals.

Over 800,000 print and electronic copies of the Baldrige Criteria were distributed in 2001. Organizations are using the Criteria for many reasons.

Here are some of the ways you can use the Criteria:

- **Educate your organization** on the principles of performance excellence. The Criteria can help improve communication in your organization by creating a common language for assessment and improvement.
- **Conduct a self-assessment** of your organization. Your first self-assessment can be accomplished in one day. Self-assessment can help you identify your organization's strengths and opportunities for improvement and develop an action plan to improve.
- **Apply for the Baldrige Award** or a state, local, or regional quality award. Every applicant receives a detailed feedback report based on an independent, external assessment conducted by a panel of specially trained and recognized experts.



Through 2001, 822 applications have been submitted for the Baldrige Award. Forty-six organizations have received the Award.



# Applying for the Award

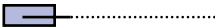
The Malcolm Baldrige National Quality Award is presented annually by the President of the United States to recognize U.S. organizations for performance excellence. The Award eligibility categories include manufacturing, service, small business, education, and health care. Up to three Awards may be given in each category each year.

## APPLICATION REVIEW

Award applications are reviewed and evaluated by members of the Board of Examiners, who are specially trained volunteer experts. The Panel of Judges reviews the Examiners' evaluations to select applicants to continue in the process and recommends Award recipients.

## FEEDBACK TO APPLICANTS

Each Award applicant receives a feedback report of approximately 50 pages at the conclusion of the review process. The feedback report is a written assessment by a team of Examiners. The report contains an applicant-specific listing of strengths and opportunities for improvement.



## What Do You Receive If You Win?

- a 14-inch Steuben Award crystal with a 22-karat gold-plated medallion, presented by the President of the United States at an Award ceremony in Washington, DC
- national recognition as a leader and role model
- an opportunity to share your best practices at the annual Quest for Excellence Conference



## Next Steps

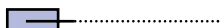


If your organization is beginning its journey to performance excellence, start by using the Baldrige Criteria for self-assessment. Contact BNQP or visit our Web site for copies of the ***Criteria for Performance Excellence*** (Business, Education, or Health Care) and ***Getting Started with the Baldrige National Quality Program: A Guide to Self-Assessment and Action***.

Our Web site also features **E-Baldrige**, an interactive tool that can help you determine your readiness for self-assessment. ***Are We Making Progress?***, an easy-to-use questionnaire available in printed and electronic versions, can help you assess the effectiveness of your improvement efforts.

If your organization is already working toward performance excellence, using the Baldrige Criteria or another performance management approach, you may be ready to apply for the Baldrige Award or for your state or local quality award. Contact BNQP or visit our Web site for copies of ***Why Apply?***, the ***Criteria for Performance Excellence***, and the ***Baldrige Award Application Forms***.

Whether you are ready to do a self-assessment or apply for the Award, or if you just want more information, contact BNQP to obtain the resources you need.



### Why Apply?

Applying for the Award offers valuable benefits, including at least 300 hours of review by trained Baldrige Examiners and an extensive feedback report highlighting your strengths and opportunities for improvement.

- **Visit our Web site at [www.quality.nist.gov](http://www.quality.nist.gov)** for answers to frequently asked questions, information about past Award recipients, and a list of available materials and publications, including case studies, CEO issue sheets, videos, and articles. Many of our publications can be downloaded from our Web site at no charge.
- **Invite a representative to speak to your organization.** Baldrige Examiners, staff, and some Baldrige Award recipients are available to speak to your organization on topics ranging from a general program overview to understanding and using the Criteria for Performance Excellence.
- **Contact your state or local Baldrige-based award program.** These programs can provide assistance with self-assessment, networking opportunities, training, and consultation in addition to their award programs.
- **Attend a conference.** BNQP sponsors the Quest for Excellence Conference and regional conferences annually to showcase the Award recipients and give attendees an opportunity to learn about the recipients' best practices.
- **Become an Examiner.** Examiners at both the state and national levels receive valuable training and experience in understanding and applying the Criteria, and they strengthen their ability to use the Criteria within their own organizations.

Contact BNQP to receive materials and publications, to request a speaker, or for more information about state and local award programs, upcoming conferences, and becoming a Baldrige Examiner.



There are 54 state, regional, and local quality award programs in the United States. In 2000, these programs received a total of 862 applications for their quality awards and trained 2,742 examiners. Over 6,000 award applications have been submitted to state and local programs since 1991.

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# **NIST**

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Technology Administration  
U.S. Department of Commerce  
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